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9 Attorneys for Plaintiff SC Innovations, Inc.

10 **UNITED STATES DISTRICT COURT**

11 **NORTHERN DISTRICT OF CALIFORNIA, SAN FRANCISCO DIVISION**

12
13 SC INNOVATIONS, INC.,

14 Plaintiff,

15 vs.

16 UBER TECHNOLOGIES, INC., RASIER,
17 LLC, RASIER-CA, LLC, RASIER-PA, LLC,
18 RASIER-DC, LLC, RASIER-NY, LLC, AND
UBER USA, LLC,

19 Defendants.

CASE NO.

COMPLAINT

DEMAND FOR JURY TRIAL

NATURE OF ACTION

1
2 1. Through an array of anticompetitive acts, Uber Technologies, Inc. (“Uber”) has stifled
3 competition in the market for ride-hailing applications. Those anticompetitive actions drove Sidecar
4 Technologies, Inc. (“Sidecar”), one of Uber’s most significant competitors, out of business. Uber is
5 now a monopolist, which has harmed both Sidecar and the consumers who previously benefitted from
6 the competitive pressure Sidecar placed on Uber. This case is designed to compensate Sidecar for the
7 damages caused by Uber, bring an end to Uber’s anticompetitive practices, and prevent future
8 anticompetitive acts so that consumers can once again enjoy the benefits of lower prices, higher
9 quality, and more options.

10 2. In 2009, Uber launched its ride-hailing smartphone app. Uber’s app allowed
11 consumers to use their smartphones to arrange on-demand transportation in “black cars” and
12 limousines driven by licensed chauffeurs.

13 3. In 2012, Sidecar debuted its own ride-hailing app. Unlike Uber’s app, which only
14 connected passengers to professional drivers, Sidecar’s app could be used by passengers to arrange
15 rides with drivers who were using their personal cars, pioneering a new concept called “ridesharing.”

16 4. Sidecar’s app was the first to offer many popular features that have become
17 commonplace in ride-hailing apps today. For example, Sidecar’s app was the first to provide
18 passengers with estimated fares and trip durations before booking their trip. It also was the first ride-
19 hailing app capable of scheduling carpool rides between strangers heading in the same direction,
20 which could dramatically lower costs for passengers using that feature.

21 5. Uber launched its own ridesharing service in 2013, which it called “UberX”. With the
22 launch of that service, Uber became hell-bent on stifling competition from competing ride-hailing
23 apps, including Sidecar. But rather than compete on the merits, Uber engaged in a campaign of
24 anticompetitive tactics, orchestrated by its senior executives, that were designed to impair Sidecar
25 from serving as a check on Uber’s quest for a monopoly. Sidecar’s superior functionality proved to be
26 no match for Uber’s anticompetitive actions, and as a result, Sidecar went out of business in
27 December 2015.

28 6. One of the anticompetitive practices that Uber employed was predatory pricing. Uber

1 heavily subsidized payments to drivers, and at the same time, it subsidized the fares it charged to
2 passengers. As a result of these subsidies, the average price paid by a passenger was well below
3 Uber's average variable cost for completing a transaction on its platform.

4 7. Uber's most senior officers and executives specifically planned for this subsidized
5 pricing strategy to foreclose competition. Uber intentionally sustained near-term losses that were
6 designed to drive Sidecar out of the market while Uber acquired a dominant market position. When
7 the market finally tipped in Uber's favor and Uber could leverage network effects to insulate itself
8 from meaningful competition, it planned to raise prices. By imposing higher prices while it was
9 protected by the substantial barriers to entry created by network effects, Uber planned to recoup the
10 losses it had incurred while pushing out its rivals. This practice would have significant negative
11 effects on consumers in the form of higher prices, lower quality, and fewer options.

12 8. That plan has now come to fruition. Since Sidecar wound down its operations in
13 December 2015, Uber has increased passenger prices in each of the markets where it was facing
14 competition from Sidecar, without offsetting those increased fares with higher payments to drivers.
15 Indeed, Uber has *reduced* driver payments at the same time it has raised passenger prices. Without
16 competition from Sidecar to keep its prices in check, Uber now is imposing its will on both passengers
17 and drivers in the form of higher, supra-competitive prices.

18 9. To obtain and protect its monopoly, Uber also intentionally interfered with the
19 performance and quality of competing ride-hailing apps, including Sidecar's app. Uber's senior
20 officers and executives directed clandestine campaigns to submit fraudulent ride requests through its
21 competitors' ride-hailing apps. Those fraudulent requests were not submitted by real passengers, but
22 instead were directly submitted by Uber (or persons working under Uber's direction). Uber intended
23 for those requests to undermine its competition, including by (a) inundating competitors with
24 fraudulent ride requests that were cancelled before the driver arrived; or (b) using fraudulently
25 requested trips as an opportunity to convince drivers to work exclusively with Uber instead of its
26 competitors.

27 10. Those tactics violated the terms of service for Sidecar's app and undermined the value
28 of competing ride-hailing apps because they prevented drivers from being matched with legitimate

ride requests. Because drivers were matched with fraudulent requests, they would be frustrated with Sidecar and, at the same time, real passengers who were looking for legitimate rides faced longer wait times. Long wait times caused drivers and passengers to switch to alternative apps. That triggered a vicious cycle that undermined the ability of Sidecar's app to challenge Uber in the marketplace.

11. Through its anticompetitive actions, which continued at least up through when Sidecar went of business, Uber stifled competition and obtained a monopoly position in the market for ride-hailing apps.

12. Those same anticompetitive actions drove Sidecar out of business. Sidecar brings this action to recover the damages it sustained when it went out of business as a result of Uber's anticompetitive tactics, which tilted the playing field in Uber's favor and irrevocably damaged the competitive process.

THE PARTIES

13. Between 2012 and 2015, Sidecar Technologies, Inc. licensed and operated a ride-hailing smartphone application in the United States. Its principal place of business was 360 Pine Street #7 San Francisco, CA 94104.

14. SC Innovations, Inc. is a Delaware corporation with a principal place of business located at 912 Cole Street #182 San Francisco, CA 94117. In September 2018, Sidecar Technologies, Inc. assigned to SC Innovations, Inc. "any and all claims and causes of action" including those for "any violation of the . . . Sherman Antitrust Act [and] the California Unfair Practices Act." For simplicity, when used in this Complaint, Sidecar refers to both SC Innovations and Sidecar Technologies, Inc.

15. Defendant Uber Technologies, Inc. is a Delaware corporation with its principal place of business located at 1455 Market Street San Francisco, CA 94103. Uber licenses and operates a ride-hailing smartphone application in the United States.

16. Defendant Rasier, LLC is a Delaware limited liability company with its principal place of business located at 1455 Market Street San Francisco, CA 94103. On information and belief, Rasier, LLC is a wholly-owned subsidiary of Defendant Uber Technologies, Inc. that contracts with drivers using the Uber ride-hailing app.

1 **VENUE**

2 25. Uber has a regular and established place of business in this District. Uber's corporate
3 headquarters is located at 1455 Market Street, San Francisco, CA 94103.

4 26. Uber committed or directed the anticompetitive acts described in this Complaint from
5 within this District. Accordingly, venue is appropriate in the Northern District of California pursuant
6 to 28 U.S.C. § 1391, 28 U.S.C. § 1404(a), and 15 U.S.C. § 22.

7 **INTRADISTRICT ASSIGNMENT**

8 27. Pursuant to Civil Local Rule 3-2(c), this is an Antitrust Action to be assigned on a
9 district-wide basis.

10 **RIDE-HAILING APPS**

11 28. Ride-hailing smartphone applications ("Ride-Hailing Apps") are software platforms
12 that facilitate transactions between operators of cars ("Drivers") and individuals that are looking to
13 obtain transportation ("Passengers"). Passengers use Ride-Hailing Apps on their smartphones to
14 arrange transportation with Drivers that are using the same Ride-Hailing App. The user interface of a
15 Ride-Hailing App can be different for Passengers and Drivers, but Passengers and Drivers use the
16 same software platform, which is remotely hosted and delivered over the internet. The companies that
17 license and operate Ride-Hailing Apps are commonly called transportation network companies
18 ("TNCs").

19 29. To use a Ride-Hailing App, a Passenger opens the App and enters the address of his or
20 her destination. After the destination is entered, the App will provide estimated wait times for
21 different types of cars (black cars, sedans, SUVs, etc.), the estimated time of arrival at the Passenger's
22 destination, and estimated total fare for the trip. Once the Passenger confirms that he or she would
23 like to request a ride, the GPS receiver in the Passenger's smartphone relays his or her location to
24 Drivers using the same App.

25 30. Drivers using the App near the Passenger's location will receive an alert and an
26 invitation to accept the ride request. The Ride-Hailing App then matches the Passenger with a Driver
27 who has accepted the request, and the Passenger can track the Driver's route until he or she reaches
28 the Passenger's location. Upon arrival, the Driver picks up the Passenger and takes him or her to their

selected destination.

31. Following each ride, the Driver and Passenger are invited to “rank” each other on a scale of 1 to 5 stars. A Driver’s average rating is visible to Passengers in the App, and a Passenger’s average rating is visible to Drivers.

32. Before using a Ride-Hailing App, Passengers must download the App to their smartphone and create a profile that links a form of payment (*e.g.*, a credit card) to the App.

33. Drivers must also download the App to their smartphones. Before they can accept ride requests and start transporting passengers, Drivers typically must submit an application that provides proof they are a licensed driver, registers their automobile with the App, and includes the information necessary for the completion of the TNC’s background check. Once a Driver’s application is approved, he or she can start using the App.

34. The following images demonstrate this process for users of the Sidecar app:

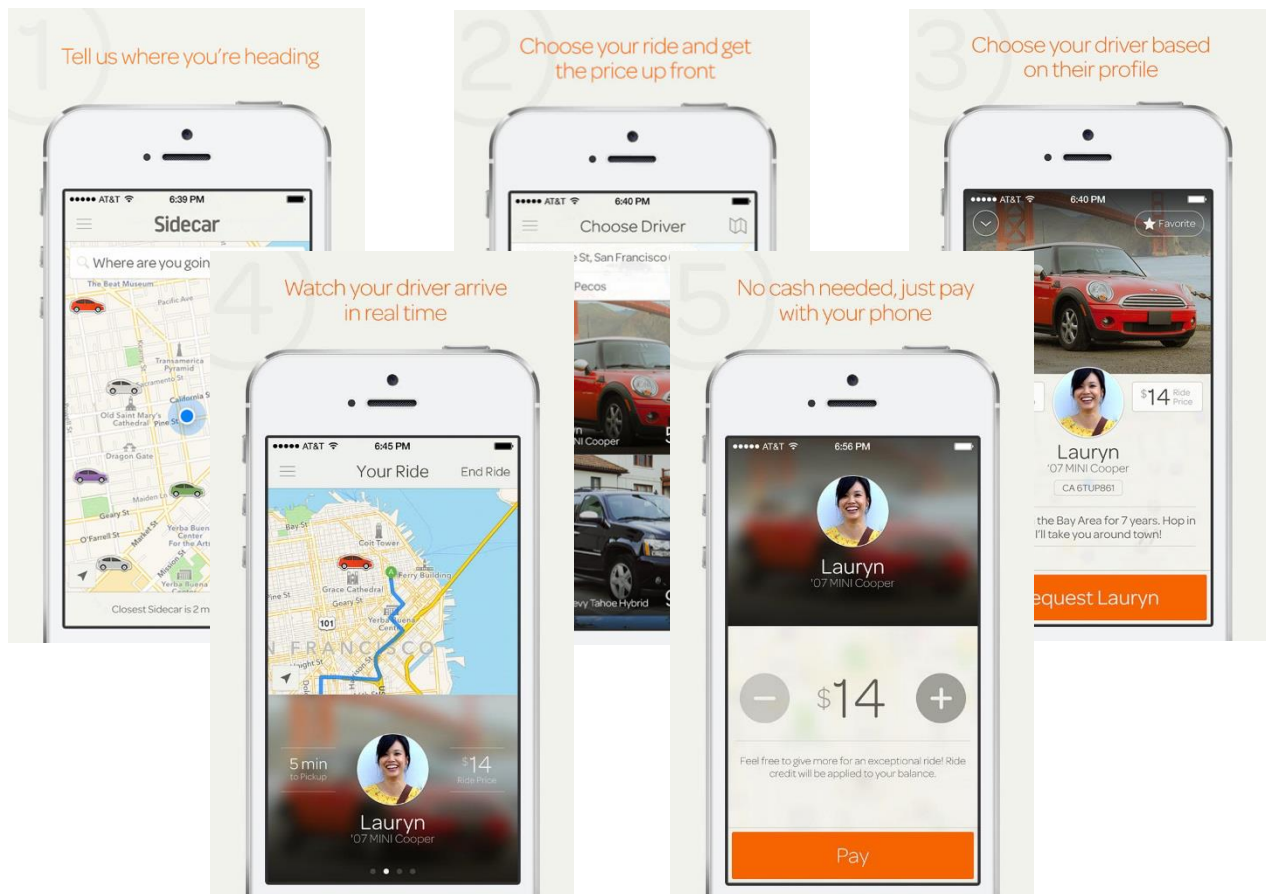


Figure 1: Sidecar Passenger App Screenshots

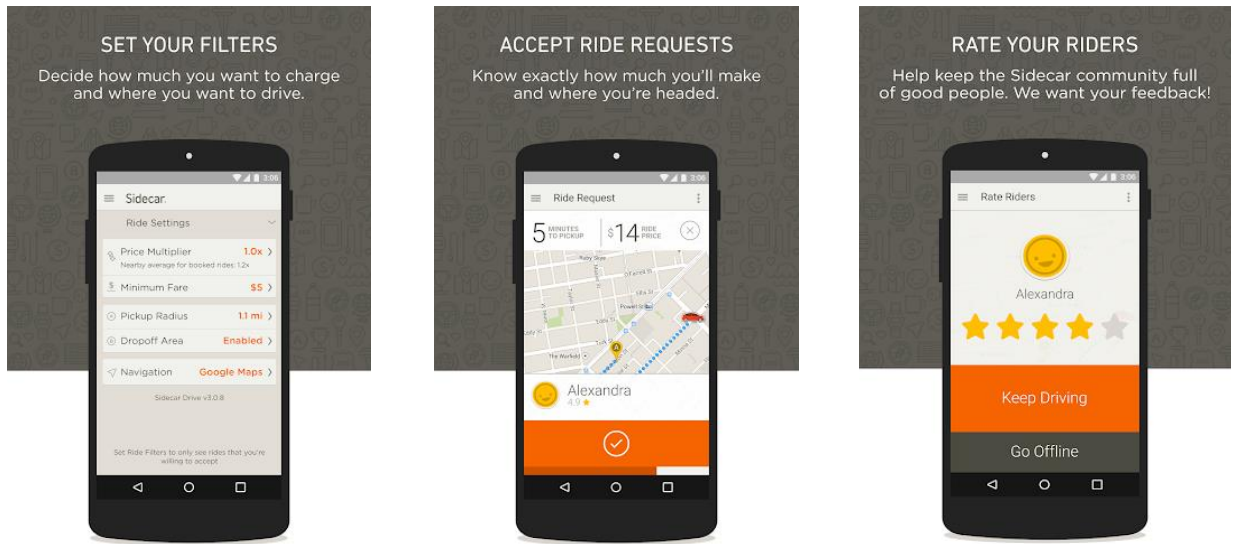


Figure 2: Sidecar Driver App Screenshots

35. Ride-Hailing Apps are free to download, but they are not free to use. Passengers pay a fee at the end of each ride (usually a fixed booking fee, plus a variable fee based on distance and time traveled, subject to a prescribed minimum), the TNC retains a percentage of the Passenger's fare (as a commission for facilitating the transaction), and the balance of the passenger's payment is remitted to the Driver. Payment is made electronically through the App, and the entire transaction occurs automatically upon completion of each ride.

36. Ride-Hailing Apps have automated a number of functions to improve convenience and efficiency in ride-hailing. As a few examples, when using a Ride-Hailing App, Passengers can easily and quickly:

- a. split fares with friends in the same car without using cash or a credit card;
- b. book "carpool" rides with strangers heading in the same direction;
- c. tip their drivers from the app without cash or a credit card;
- d. select a precise trip origin and destination on a map;
- e. determine the estimated cost of the ride and estimated time of arrival for their trip before booking;
- f. select the exact size and features of their desired automobile;
- g. rate the quality of their driver;

- h. share their location and estimated time of arrival with friends; and
- i. automate receipts and create expense reports for business trips.

37. Ride-Hailing Apps also provide significant benefits and additional flexibility for Drivers, including the ability to:

- a. choose their own hours and work schedule; and
- b. supplement their ordinary job with a second source of income from providing transportation services with their own personal cars.

TRANSPORTATION NETWORK COMPANIES

38. Uber introduced its Ride-Hailing App in 2009. At first, Uber's App only connected Passengers to limousines and town cars operated by professional drivers.

39. In 2012, Sidecar introduced its Ride-Hailing App, which could be used by Passengers to arrange rides with Drivers who were using their personal cars. This new concept was called "ridesharing."

40. Lyft, Inc., another TNC, launched a Ride-Hailing App focused on ridesharing that same year.

41. In the years that followed, Sidecar continued to innovate and develop new, cutting-edge features that offered additional functionality beyond that which was available in Uber's App.

42. Sidecar was the first company to allow Passengers to enter their destination before booking a ride, so that its App could display the estimated price for the ride, as well as the expected trip duration and arrival time.

43. Sidecar also was the first TNC to roll out an automated carpooling feature to match Passengers heading in the same direction and allow them to share the same car (and split the fare).

44. Sidecar also was the first Ride-Hailing App to provide several key features for Drivers, such as turn-by-turn directions within the App and the ability to link ride requests (known as "queueing").

45. Uber and Lyft have since copied these features and implemented them in their own Ride-Hailing Apps, where they have become popular product features. Today, for example, "shared

rides” account for around 50% of Uber’s trips in San Francisco.

46. Between 2012 and 2015, Sidecar’s Ride-Hailing App could be used by Passengers and Drivers in San Francisco, Austin, Los Angeles, Chicago, Philadelphia, Washington, DC, New York, Seattle, San Diego, San Jose, and Boston.

47. At the peak of its operations, Sidecar’s Ride-Hailing App was facilitating more than 35,000 rides per week, and it had obtained a meaningful share of the market in several U.S. cities. For example, as of late 2014, Sidecar estimated that it held between a 10% and 15% market share in the markets for Ride-Hailing Apps in San Francisco, Los Angeles, and Chicago.

48. By mid-2014, Uber operated in all of the cities where Sidecar operated (San Francisco, Austin, Los Angeles, Chicago, Philadelphia, Washington DC, New York, Seattle, San Diego, San Jose, and Boston).

49. From the moment Sidecar released its App, Uber recognized Sidecar was a real competitive threat. With the introduction of ridesharing, Sidecar offered safe, reliable rides to Passengers at a lower price point than Uber’s luxury black car service. And Sidecar’s App offered additional features and flexibility, including by allowing Drivers to use their own personal vehicles to provide transportation.

50. Uber’s CEO, Travis Kalanick, was not happy with the prospect of competition from new Ride-Hailing Apps, “most notably Lyft and Sidecar, whose goal [was] to offer incredibly low-cost transportation.” In a public “white paper,” Kalanick announced that Uber would introduce its own ridesharing service in response to the new, “far cheaper product” offered by Sidecar and Lyft.

51. By 2013, Uber launched its own ridesharing service, which it called UberX.

RELEVANT PRODUCT MARKET

52. Ride-Hailing Apps constitute a relevant antitrust product market. A hypothetical monopolist that was the only present and future supplier of all Ride-Hailing Apps likely would impose at least a small but significant and non-transitory increase in price (“SSNIP”) for each transaction completed through Ride-Hailing Apps. That SSNIP could be imposed by raising the prices paid by Passengers, reducing the payments made to Drivers, or both.

1 53. Not enough Passengers would respond to a SSNIP by switching to other means of
 2 hailing transportation to render such a price increase unprofitable. Ride-Hailing Apps are cheaper,
 3 more convenient, and offer greater functionality than other means of hailing transportation, such as
 4 hailing a taxi on a street corner or calling a taxi dispatcher. Ride-Hailing Apps have automated a
 5 number of functions to improve convenience and efficiency in hailing transportation. As a few
 6 examples, when using a Ride-Hailing App, Passengers can easily and quickly:

- 7 a. split fares with friends in the same car without using cash;
- 8 b. book carpool rides with strangers heading in the same direction;
- 9 c. automatically pay and tip their drivers at the conclusion of a trip without using
 10 cash or credits;
- 11 d. select a precise trip origin and destination from a map;
- 12 e. determine the estimated cost of the ride and estimated time of arrival before
 13 booking the ride;
- 14 f. select the exact size and features of their desired automobile;
- 15 g. rate the quality of their driver;
- 16 h. share their location and estimated time of arrival with others;
- 17 i. see the name, photograph, and license of their driver; and
- 18 j. receive automatic receipts and create expense reports for business trips.

19 54. Other means of hailing transportation, such as hailing a taxi on a street corner or calling
 20 a taxi dispatcher, are not reasonably close substitutes for Passengers using Ride-Hailing Apps because
 21 of these differences.

22 55. Likewise, not enough Drivers would respond to a SSNIP by switching to other means
 23 of arranging transportation services to render such a price increase unprofitable. Anyone who has a
 24 license and passes the applicable background check can sign up as a Driver and use their personal car
 25 to fulfill rides booked through a Ride-Hailing App. Ride-Hailing Apps offer flexibility to Drivers,
 26 who can work wherever and whenever they want, for as long as they want. If Drivers wanted to
 27 provide transportation services outside of a Ride-Hailing App, their only real option would be to
 28 become a taxi or limousine driver. Becoming a taxi driver requires a much greater upfront investment
 than serving as a Driver on a Ride-Hailing App (including, *inter alia*, buying a taxi and obtaining the

appropriate taxi license or affiliating with an existing taxi company), does not offer the same degree of flexibility as that which is available through a Ride-Hailing App, and does not offer payment terms that are as favorable as those available through Ride-Hailing Apps.

56. Other means of arranging transportation services are not reasonably close substitutes for Drivers using Ride-Hailing Apps because of these differences.

57. Ride-Hailing Apps are technology—they do not compete with other modes of transportation or transportation companies, like taxi cab companies. By Uber’s own admission, its Ride-Hailing App does not compete with taxi cabs or other transportation providers:

- a. On January 28, 2013, Uber told the California Public Utilities Commission: “Uber is a software technology company with headquarters in San Francisco, California. Uber is not a transportation company. It does not own vehicles, does not employ drivers and ***does not compete with taxicab or livery companies in providing transportation services to the public.***” (emphasis added).
- b. On May 13, 2013, Uber told the Maryland Public Service Commission: “Uber does not own, lease or charter vehicles or employ drivers. ***Uber does not compete directly with transportation providers.*** Rather, the App is a tool available to the existing transportation infrastructure. Thus, Uber views itself as positioned at a different level from the actual transportation companies or providers.” (emphasis added).

58. Taxi companies and TNCs are also subject to different government regulations. For example:

- a. In the District of Columbia, local regulations prohibit Drivers using a Ride-Hailing App from soliciting or accepting “street hails,” D.C. CODE § 50–301.29e(a)(1), and impose different pricing regulations on taxis and TNCs, *id.* §§ 50–301.29f, 50–301.31(b)(1)–(2) (allowing ride-hailing companies to use method other than metered taxi rate to calculate fares); *id.* § 50–381(a) (requiring taxis to use meter system).
- b. In New York, TNC Drivers “shall not solicit or accept street hails,” NY VEH. & TRAF. LAW § 1692(7), and may not accept payment in cash, *id.* § 1692(8). Taxi drivers may do both. *See id.* § 1691(1)(c)(i), (6)(b)(ii) (excluding taxis from TNC definitions and thus from street-hail, payment, and other regulations governing only TNCs).
- c. In Pennsylvania, likewise, TNC Drivers may not solicit or accept street hails or phone calls requesting transportation. 53 PA. STAT. AND CONS. STAT. § 57A16(b)(3). Taxi drivers may do both. *See id.* § 5701 (defining “taxicab service” as a “[l]ocal common carrier service for passengers, rendered on either an exclusive or nonexclusive basis, where the service is characterized by the fact that passengers normally hire the vehicle and its driver either by telephone call or by hail, or both. The term does not include transportation network service as defined in section 57A01”).

59. Other means of transportation besides taxi cabs are also not reasonable substitutes for Ride-Hailing Apps. In contrast to driving, Passengers do not need to own and be able to operate a vehicle to arrange transportation using a Ride-Hailing App. Unlike public transit, Ride-Hailing Apps allow Passengers to go anywhere they want without being limited by pre-set routes or schedules. And walking is not a reasonable substitute for rides arranged through Ride-Hailing Apps because it does not provide comparable speed or allow for transportation over comparable distances (*e.g.*, walking five miles is not a reasonable substitute for riding in a car over the same distance).

60. Given the differences between these other modes of transportation and transportation that can be booked through Ride-Hailing Apps, they are not reasonable substitutes for Ride-Hailing Apps.

RELEVANT GEOGRAPHIC MARKETS

61. The Sidecar App could be used in the following cities: San Francisco, Austin, Los Angeles, Chicago, Philadelphia, Washington DC, New York, Seattle, San Diego, San Jose, and Boston.

62. At all relevant times, Uber's App could be used in those same cities. In fact, in terms of the number of riders, Washington, DC, New York, Chicago, Los Angeles, and San Francisco are Uber's largest markets in North America today.

63. The cities of San Francisco, Austin, Los Angeles, Chicago, Philadelphia, Washington DC, New York, Seattle, San Diego, San Jose, and Boston each independently constitute a relevant geographic market for purposes of antitrust analysis. Passengers looking for a ride in each of those cities can only use a Ride-Hailing App that is used by nearby Drivers. Likewise, Drivers looking to use a Ride-Hailing App can only connect to nearby Passengers who are using the same App.

64. A hypothetical monopolist that was the only present and future supplier of all Ride-Hailing Apps in each of those cities (San Francisco, Austin, Los Angeles, Chicago, Philadelphia, Washington DC, New York, Seattle, San Diego, San Jose, and Boston) would impose at least a SSNIP for each transaction completed through Ride-Hailing Apps. That SSNIP could be imposed by raising the prices paid by Passengers, reducing the payments made to Drivers, or both. Not enough

1 Passengers or Drivers would respond to a SSNIP by switching to other means of hailing transportation
2 that are not available within the city limits to render such a price increase unprofitable.

3 **BARRIERS TO ENTRY**

4 65. There are high barriers to entry in the market for Ride-Hailing Apps.

5 66. Ride-Hailing Apps connect two sets of consumers, Passengers and Drivers, and thus
6 are two-sided platforms that exhibit indirect network effects. Indirect network effects exist where the
7 value of the two-sided platform to one group of customers depends on how many members of a
8 different group of customers participate.

9 67. In the case of Ride-Hailing Apps, the value of an App to Passengers depends on how
10 many Drivers are using the same App near their location. As more Drivers use a particular Ride-
11 Hailing App, the value of that platform increases for Passengers because it becomes more likely that
12 they will be matched quickly with a nearby Driver when trying to book a ride. And as more Drivers
13 join the platform, wait times decrease, making the Ride-Hailing App more valuable to Passengers.

14 68. The same principle applies to Drivers. The value of a Ride-Hailing App to Drivers
15 depends on how many nearby Passengers are using the App. As more Passengers use a particular
16 Ride-Hailing App, the value of that platform increases for Drivers because it becomes more likely that
17 they will be matched quickly with a nearby Passenger looking for a ride. In other words, as more
18 Passengers use a Ride-Hailing App, it becomes more valuable for Drivers because the amount of time
19 Drivers spend waiting for ride requests declines and so does the distance to the pick-up point for their
20 next ride.

21 69. Uber and its senior executives and officers recognized that these network effects were
22 vital to its business and its strategy for marginalizing its competitors. In 2014, its former CEO and
23 founder, Travis Kalanick, described “the network effects of [Uber’s] business” this way:

24 More cars and drivers mean better coverage and lower pickup times. Lower pickup
25 times mean better economics for drivers, and thus more drivers and cars.

26 70. Bill Gurley, a general partner at Benchmark Capital (an early Uber investor), wrote a
27 blog post in 2014, when he was a member of Uber’s board of directors, that discussed the importance
28 of network effects to Uber’s business:

1 Eighteen years ago, Brian Arthur published a seminal economic paper in the Harvard
 2 Business Review titled, “Increasing Returns and the Two Worlds of Business.” If you have
 3 not read it, I highly recommend that you do. His key point is that certain technology
 4 businesses, rather than being exposed to diminishing marginal returns like historical industrial
 5 businesses, are actually subject to a phenomenon called known as “increasing returns.”
 6 Gaining market share puts them in a better position to gain more market share. Increasing
 7 returns are particularly powerful when a network effect is present. According to Wikipedia, a
 8 network effect is present when “... the value of a product or service is dependent on the
 9 number of others using it.” In other words, the more people that use the product or service, the
 10 more valuable it is to each and every user.

11 So the right questions are, “is Uber exposed to some form of network effect where the
 12 marginal user sees higher utility precisely because of the number of previous customers that
 13 have chosen to use it, and would that lead to a market share well beyond the 10% postulated
 14 by Damodaran?”

15 There are three drivers of a network effect in the Uber model:

- 16 (1) **Pick-up times.** As Uber expands in a market, and as demand and supply both
 17 grow, pickup times fall. Residents of San Francisco have seen this play out over
 18 many years. Shorter pickup times mean more reliability and more potential use
 19 cases. The more people that use Uber, the shorter the pick up times in each
 20 region.
- 21 (2) **Coverage Density.** As Uber grows in a city, the outer geographic range of
 22 supplier liquidity increases and increases. Once again, Uber started in San
 23 Francisco proper. Today there is coverage from South San Jose all the way up to
 24 Napa. The more people that use Uber, the greater the coverage.
- 25 (3) **Utilization.** As Uber grows in any given city, utilization increases. Basically, the
 26 time that a driver has a paying ride per hour is constantly rising. This is simply a
 27 math problem – more demand and more supply make the economical traveling-
 28 salesman type problem easier to solve. Uber then uses the increased utilization to
 lower rates – which results in lower prices which once again leads to more use
 cases. The more people that use Uber, the lower the overall price will be for the
 consumer.

71. These network effects create a formidable barrier to entry that insulates incumbent
 TNCs from new competition or expansion by smaller rivals. A new competitor trying to enter the
 market or an existing, smaller firm trying to expand will not be able to compete in a timely, likely, or
 sufficient basis with incumbent firms that already have established large networks of Drivers and
 Passengers using their Ride-Hailing Apps. For example, without enough Drivers, a smaller rival will
 not be able to compete with the shorter wait times available on incumbent apps, and without enough
 Passengers, the upstart firm will not be able to attract Drivers to its platform. And that is the case
 even if the new competitor offers better commercial terms or features. The value of Ride-Hailing

1 Apps is derived from the number of Drivers and Passengers, giving incumbent firms, especially a
2 monopolist like Uber, an inherent and insurmountable advantage.

3 72. This chicken-or-egg problem has stifled new entrants and prevented competitors from
4 imposing a true competitive constraint on Uber since Sidecar wound down its operations at the end of
5 2015. Even in response to the wave of anticompetitive price increases Uber has imposed over the past
6 two years, new rivals have not emerged to challenge Uber's market dominance.

7 73. Economies of scale also are a major barrier to entry in the market for Ride Hailing
8 Apps. Uber's scale advantages are difficult, if not impossible, for a new entrant or smaller firm to
9 overcome because of the dominant market position Uber has obtained through its anticompetitive
10 actions.

11 74. Uber now boasts a user base of over 40 million Passengers in cities around the United
12 States. When those Passengers travel to a new city, they can open their Uber App and know that they
13 will be able to book a ride within a few minutes. Likewise, Drivers know that if they relocate to
14 another city, they will be able to turn on their Uber App and be matched with Passengers within a
15 matter of minutes.

16 75. These scale advantages have enabled Uber to expand more rapidly and effectively than
17 its competitors into new markets. Bill Gurley described Uber's scale advantages this way:

18 Uber also enjoys economies of scale that span across city borders. Many people who
19 travel have experienced Uber for the first time in another city. When the company enters a
20 new city they have the stored data for users who have opened the application in that area to see
21 if coverage is available. These "opens" represent eager unfulfilled customers. They also have a
22 list of residents who have already used the application in another city and have a registered
23 credit card on file. This makes launching and marketing in each additional city increasingly
24 easier.

25 76. Another barrier to entry created by Uber's scale relates to the volume of data that it
26 collects from transactions completed on its platform. (*e.g.*, most popular destinations, busiest times of
27 day for ride requests, impacts of seasonality, traffic patterns, etc.). Uber can use this data to improve
28 its algorithms for matching Drivers and Passengers, allowing its App to more rapidly and effectively
improve its matching and scheduling functions than is possible for an upstart competitor.

77. A new entrant or fringe competitor in the market for Ride-Hailing Apps cannot
leverage an existing customer base in the same way to effectively compete with Uber's scale.

78. Uber did not have to overcome barriers to entry in the market for Ride-Hailing Apps that are created by network effects and economies of scale. When Uber embarked on its anticompetitive crusade to obtain its monopoly position, there were no incumbent TNCs with an established network of Drivers and Passengers. New firms competing with Uber today face substantial long-run costs that Uber did not need to incur to surmount the barriers to entry created by network effects and economies of scale.

79. Other TNCs also recognize that network effects and scale are formidable barriers to entry that insulate incumbent providers from new competition. For example, one of Lyft's co-founders, John Zimmer, has publicly acknowledged "very strong network effects" in the market for Ride-Hailing Apps.

MARKET PARTICIPANTS & MARKET SHARES

80. Due to the importance of network effects, the market today has effectively collapsed into a duopoly composed of Uber and its only real remaining competitor, Lyft.

81. Uber and Lyft collectively account for nearly 100% of all rides booked through Ride-Hailing Apps in the United States. On a national level, Uber's market share in the United States is approximately 70%. Lyft's market share in the United States is approximately 30%.

82. In local markets, Uber has monopoly power in each city where it competed with Sidecar:

- a. in San Francisco, at all times between 2014 and the present, Uber's market share has been at least 60%.
- b. in Los Angeles, at all times between 2014 and the present, Uber's market share has been at least 60%.
- c. in Chicago, at all times between 2014 and the present, Uber's market share has been at least 65%.
- d. in Philadelphia, at all times between 2014 and the present, Uber's market share has been at least 70%.
- e. in Washington, DC, at all times between 2014 and the present, Uber's market share has been at least 70%.
- f. in New York, at all times between 2014 and the present, Uber's market share has been at least 75%.

- 1 g. in Seattle, at all times between 2014 and the present, Uber's market share has
been at least 65%.
- 2 h. in San Diego, at all times between 2014 and the present, Uber's market share
3 has been at least 65%.
- 4 i. in San Jose, at all times between 2014 and the present, Uber's market share has
5 been at least 65%.
- 6 j. in Boston, at all times between 2014 and the present, Uber's market share has
been at least 70%.

UBER'S ANTICOMPETITIVE TACTICS

8 83. Uber did not acquire and maintain its monopoly by offering a better product or
9 competing on the merits. Instead, Uber's senior executives and officers directed a series of
10 anticompetitive tactics that were specifically designed to thwart true competition and allow Uber to
11 institute anticompetitive pricing strategies in the long-run.

12 84. Through the anticompetitive actions described below, among others, Uber marginalized
13 its competitors, raised barriers to entry, and insulated itself from meaningful competition.

Uber Engaged in Predatory Pricing and Increased Prices After Sidecar Exited the Market

15 85. With the introduction of UberX, Uber deployed a two-part predatory pricing strategy to
16 build its network and push out the competition, including Sidecar.

17 86. First, Uber offered sign-up bonuses and other subsidies to Drivers, allowing them to
18 earn more on each ride than they would if Uber employed a profit-maximizing strategy. Second, it
19 offered heavily subsidized rates to encourage Passengers to use its App, allowing them to pay less on
20 each ride than they would if Uber employed a profit-maximizing strategy.

21 87. In combination, these tactics caused Uber to incur substantial short-run losses. On
22 information and belief, Uber planned to incur near-term losses on transactions conducted through its
23 App until it obtained a dominant market position, at which point it could start raising prices to supra-
24 competitive levels to recoup its losses.

25 88. The variable costs associated with each transaction conducted through a Ride-Hailing
26 App include at least the following categories of costs: (1) the payment made by the TNC to the Driver;
27 (2) the subsidy or discount provided to the Passenger; (3) the marketing costs associated with
28 attracting the Driver and Passenger to the App to complete the transaction; (4) customer service costs;

1 (5) payment processing fees; and (6) the cost of the computer servers necessary to run the software
2 and process the transaction.

3 89. Between 2013 and 2016, in the markets where Uber was competing with Sidecar, the
4 average prices Uber charged Passengers were lower than Uber's average variable cost per transaction.
5 Uber's prices were so low that the commission it received from each transaction, on average, was
6 lower than its average variable cost for the transaction (accounting for at least Driver payments and
7 subsidies, Passenger subsidies and discounts, marketing costs, customer service costs, payment
8 processing fees, and server costs). In other words, on average, Uber lost money on each transaction
9 completed through its Ride-Hailing App.

10 90. On information and belief, in July 2014, for example, Uber subsidized 20% of the
11 prices charged to Passengers for UberX rides. And by 2015, Passenger fees were only covering
12 around 40% of Uber's costs for each transaction conducted through its App.

13 91. Based on press reports, Uber has privately advised current and potential investors that
14 Driver subsidies are responsible for the large losses it has historically recorded on its books. Public
15 reports estimate that these losses exceeded \$9.9 billion between 2012 and 2017.

16 92. Until Sidecar went out of business in December 2015, however, it was unclear whether
17 Uber's predatory strategy would be successful and allow Uber to recoup its predatory losses by raising
18 prices in the long-run. Those doubts have now been erased. Uber has in fact raised prices several
19 times since Sidecar ceased operations. Because Sidecar is no longer in the market exercising a
20 competitive constraint on Uber, Uber has been able to steadily raise its prices in each market where it
21 previously competed against Sidecar.

22 93. Since January 2016, Uber has raised prices to supra-competitive levels.

23 94. For example, Uber has imposed at least the following specific price increases in the
24 markets where it previously competed against Sidecar since Sidecar exited the market in December
25 2015:

UberX Fee Increases in San Francisco			
<i>Date</i>	<i>Fee</i>	<i>\$ Change</i>	<i>% Increase</i>
February 2016	Minimum fare	\$5.35 to \$5.55	3.7%
February 2016	Service fees	\$1.35 to \$1.55	14.8%
March 2016	Minimum fare	\$5.55 to \$6.55	18.0%
February 2017	Minimum fare	\$6.55 to \$6.75	18.3%
February 2017	Service fee	\$1.55 to \$1.75	12.9%
July 2017	Minimum fare	\$6.75 to \$7.00	3.7%
July 2017	Service fee	\$1.75 to \$2.00	14.3%
September 2017	Cost per mile	\$1.15 to \$1.21	5.2%
April 2018	Base fare	\$2.00 to \$2.20	10.0%
April 2018	Cost per mile	\$1.21 to \$1.33	9.9%
April 2018	Service fee	\$2.00 to \$2.20	10.0%

UberX Fee Increases – Los Angeles			
<i>Date</i>	<i>Fee</i>	<i>\$ Change</i>	<i>% Increase</i>
February 2017	Service fees	\$1.65 to \$1.85	12.1%
February 2017	Minimum fare	\$5.15 to \$5.35	3.9%
July 2017	Minimum fare	\$5.35 to \$5.60	4.7%
July 2017	Service fees	\$1.85 to \$2.10	13.5%
September 2017	Cost per mile	\$0.90 to \$0.96	6.7%
April 2018	Minimum fare	\$5.60 to \$5.80	3.6%
April 2018	Cost per minute	\$0.15 to \$0.17	13.3%
April 2018	Cost per mile	\$0.96 to \$1.06	10.4%
April 2018	Service fees	\$2.10 to \$2.30	9.5%
September 2018	Minimum fare	\$5.80 to \$7.30	25.9%
September 2018	Cost per minute	\$0.17 to \$0.24	41.2%

UberX Fee Increases – Chicago			
<i>Date</i>	<i>Fee</i>	<i>\$ Change</i>	<i>% Increase</i>
February 2017	Minimum fare	\$4.20 to \$4.40	4.8%
February 2017	Service fees	\$1.20 to \$1.40	16.7%
May 2017	Cost per mile	\$0.90 to \$0.95	5.6%
July 2017	Minimum fare	\$4.40 to \$4.60	4.5%
July 2017	Service fees	\$1.40 to \$1.60	14.3%
May 2018	Base fare	\$1.70 to \$1.79	5.3%
May 2018	Minimum fare	\$4.60 to \$4.85	5.4%
May 2018	Cost per minute	\$0.20 to \$0.21	5.0%
May 2018	Cost per mile	\$0.95 to \$1.00	5.3%
May 2018	Service fees	\$1.60 to \$1.85	15.6%
October 2018	Cost per minute	\$0.21 to \$0.28	33.3%

UberX Fee Increases – Philadelphia			
<i>Date</i>	<i>Fee</i>	<i>\$ Change</i>	<i>% Increase</i>
May 2016	Minimum fare	\$5.25 to \$5.75	9.5%
February 2017	Minimum fare	\$5.75 to \$5.95	3.5%
February 2017	Service fees	\$1.25 to \$1.45	16.0%
May 2017	Cost per mile	\$1.10 to \$1.15	4.5%
July 2017	Minimum fare	\$5.95 to \$6.20	4.2%
July 2017	Service fees	\$1.45 to \$1.70	17.2%
March 2018	Base fare	\$1.25 to \$1.38	10.4%
March 2018	Minimum fare	\$6.20 to \$6.50	4.8%
March 2018	Cost per minute	\$0.18 to \$0.20	11.1%
March 2018	Cost per mile	\$1.15 to \$1.27	10.4%

March 2018	Service fees	\$1.70 to \$2.00	17.6%
October 2018	Cost per minute	\$0.20 to \$0.32	60.0%

UberX Fee Increases – Washington, DC

<i>Date</i>	<i>Fee</i>	<i>\$ Change</i>	<i>% Increase</i>
February 2017	Minimum fare	\$6.35 to \$6.55	3.1%
February 2017	Service fees	\$1.35 to \$1.55	14.8%
July 2017	Cost per mile	\$1.02 to \$1.08	5.9%
July 2017	Minimum fare	\$6.55 to \$6.80	3.8%
July 2017	Service fees	\$1.55 to \$1.80	16.1%
July 2018	Service fees	\$1.80 to \$2.00	11.1%
July 2018	Cost per mile	\$1.08 to \$1.13	4.6%
July 2018	Cost per minute	\$0.17 to \$0.18	5.9%
July 2018	Minimum fare	\$6.80 to \$7.00	2.9%
July 2018	Base fare	\$1.15 to \$1.21	5.2%

UberX Fee Increases – Seattle

<i>Date</i>	<i>Fee</i>	<i>\$ Change</i>	<i>% Increase</i>
February 2016	Minimum fare	\$4.20 to \$4.30	2.4%
February 2016	Service fees	\$1.20 to \$1.30	8.3%
February 2017	Minimum fare	\$4.80 to \$5.15	7.3%
February 2017	Service fees	\$1.30 to \$1.65	26.9%
July 2017	Minimum fare	\$5.15 to \$5.45	5.8%
July 2017	Service fees	\$1.65 to \$1.95	18.2%
April 2018	Cost per mile	\$1.35 to \$1.41	4.4%
March 2017	Booking fee	\$1.30 to \$1.65	26.9%
May 2018	Base fare	\$1.35 to \$1.42	5.2%

May 2018	Cost per minute	\$0.24 to \$0.25	4.2%
May 2018	Cost per mile	\$1.41 to \$1.48	5.0%

UberX Fee Increases – San Jose

<i>Date</i>	<i>Fee</i>	<i>\$ Change</i>	<i>% Increase</i>
February 2016	Minimum fare	\$5.35 to \$5.55	3.7%
February 2016	Service fees	\$1.35 to \$1.55	14.8%
March 2016	Minimum fare	\$5.55 to \$6.55	18.0%
February 2017	Minimum fare	\$6.55 to \$6.75	3.1%
February 2017	Service fees	\$1.55 to \$1.75	12.9%
July 2017	Minimum fare	\$6.75 to \$7.00	3.7%
July 2017	Service fees	\$1.75 to \$2.00	14.3%
September 2017	Cost per mile	\$1.15 to \$1.21	5.2%
April 2018	Cost per minute	\$0.22 to \$0.24	9.1%
April 2018	Cost per mile	\$1.21 to \$1.33	9.9%
April 2018	Service fee	\$2 to \$2.20	10.0%

UberX Fee Increases – Boston

<i>Date</i>	<i>Fee</i>	<i>\$ Change</i>	<i>% Increase</i>
August 2015	Cost per mile	\$1.20 to \$1.24	3.3%
August 2015	Cost per minute	\$0.16 to \$0.21	31.3%
October 2015	Minimum fare	\$5.00 to \$5.15	3.0%
October 2015	Service fees	\$1.00 to \$1.15	15.0%
November 2015	Cost per minute	\$0.16 to \$0.20	25.0%
May 2016	Minimum fare	\$5.15 to \$6.15	19.4%
February 2017	Minimum fare	\$6.15 to \$6.35	3.3%
February 2017	Service fees	\$1.15 to \$1.35	17.4%

May 2017	Cost per mile	\$1.24 to \$1.29	4.0%
July 2017	Minimum fare	\$6.35 to \$6.60	3.9%
July 2017	Service fees	\$1.35 to \$1.60	18.5%
April 2018	Base fare	\$2.00 to \$2.10	5.0%
April 2018	Minimum fare	\$6.60 to \$6.85	3.8%
April 2018	Cost per minute	\$0.20 to \$0.21	5.0%
April 2018	Cost per mile	\$1.29 to \$1.35	4.7%
April 2018	Service fees	\$1.60 to \$1.85	15.6%

UberX Fee Increases – San Diego			
<i>Date</i>	<i>Fee</i>	<i>\$ Change</i>	<i>% Increase</i>
February 2017	Minimum fare	\$5.75 to \$5.95	3.5%
February 2017	Service fees	\$1.75 to \$1.95	11.4%
July 2017	Minimum fare	\$5.95 to \$6.25	5.0%
July 2017	Service fees	\$1.95 to \$2.25	15.4%
September 2017	Cost per mile	\$1.10 to \$1.16	5.5%
April 2018	Minimum fare	\$6.25 to \$6.65	6.4%
April 2018	Service fees	\$2.25 to \$2.65	17.8%

UberX Fee Increases – New York			
<i>Date</i>	<i>Fee</i>	<i>\$ Change</i>	<i>% Increase</i>
May 2016	Minimum fare	\$7.00 to \$8.00	14.3%

95. Over the same time that Uber has been steadily increasing the prices paid by Passengers, it has been reducing the payments it makes to Drivers.

1 times for rides. The reduction in available Drivers on competitive Apps, and the corresponding longer
2 wait times, greatly diminished the value of the competitive Apps for Passengers.

3 104. Because of the presence of network effects, these fraudulent ride requests triggered a
4 vicious downward cycle: Drivers who were disappointed with the number of rides they were able to
5 complete through competitors' Apps switched to Uber. With fewer Drivers on the platform,
6 Passengers faced longer wait times, and likewise turned to Uber. And with fewer Passengers available
7 on a competitive App, it became even less attractive to Drivers, which caused even more Drivers to
8 leave the App and perpetuated a downward spiral.

9 105. Uber or persons acting under Uber's direction submitted such fraudulent ride requests
10 on Sidecar's Ride-Hailing App. Those fraudulent ride requests expressly violated Sidecar's terms of
11 service.

12 106. Between 2012 and 2015, to download and use Sidecar's Ride-Hailing App, Passengers
13 had to agree to Sidecar's standard terms of service, which prohibited anyone using the App from:

- 14 a. attempting to interfere with the performance of Sidecar's App, including
15 through automated ride requests;
- 16 b. placing a disproportionate load on the infrastructure supporting the App;
- 17 c. using the App for commercial purposes; or
- 18 d. submitting fraudulent requests through the App.

19 107. Uber's fraudulently submitted ride requests violated Sidecar's terms of service because,
20 among other things, they interfered with the performance of the App, conducted fraud through the
21 App, or used the App for commercial purposes.

22 108. These fraudulent and tortious activities allowed Uber to acquire and maintain a
23 monopoly position without having to compete with other Ride-Hailing Apps, including Sidecar's App,
24 on the merits.

ANTITRUST INJURY

25 109. Sidecar went out of business in December 2015 and sold its operating assets to GM. At
26 that time, Sidecar wound down its operations and shut down its Ride-Hailing App.
27
28

110. Markets where Sidecar had previously competed against Uber usually had three Ride-Hailing Apps (those licensed and operated by Uber, Lyft, and Sidecar). With Sidecar's failure, Passengers and Drivers in those markets were left with only two real alternatives (Uber and Lyft).

111. Sidecar's failure therefore significantly reduced competition in each of those markets, harming the competitive process and the users of Ride-Hailing Apps (both Drivers and Passengers).

112. Uber's anticompetitive and exclusionary acts also prevented Sidecar from expanding into additional geographic markets and competing with Uber in other cities.

113. But for Uber's anticompetitive conduct and abuse of its monopoly position, Sidecar would have remained a viable competitor and served as a check on Uber's anticompetitive price increases.

114. Competition has been harmed in the market for Ride-Hailing Apps as a result of Sidecar's failure. Passengers and Drivers have both been harmed because Passengers are now paying higher prices, Drivers are being paid less, and both have fewer choices available (Passengers and Drivers are left with only two real alternatives instead of three).

115. Sidecar also has suffered significant financial damages flowing from that harm to competition, including (at least) lost profits and/or the artificial suppression of the value of Sidecar's business.

CAUSES OF ACTION

COUNT 1: MONOPOLIZATION (15 U.S.C. § 2)

116. Sidecar incorporates by reference the foregoing paragraphs of this Complaint as if fully set forth herein.

117. Uber possesses monopoly power in the relevant markets for Ride-Hailing Apps in San Francisco, Austin, Los Angeles, Chicago, Philadelphia, Washington DC, New York, Seattle, San Diego, San Jose, and Boston.

118. Uber has the power to raise prices and exclude competition in each of those relevant markets.

119. In San Francisco, Uber's share of the relevant market is at least 60%.

120. In Los Angeles, Uber's share of the relevant market is at least 60%.

121. In Chicago , Uber’s share of the relevant market is at least 65%.

122. In Philadelphia, Uber’s share of the relevant market is at least 70%.

123. In Washington, DC, Uber’s share of the relevant market is at least 70%.

124. In New York, Uber’s share of the relevant market is at least 75%.

125. In Seattle, Uber’s share of the relevant market is at least 65%.

126. In San Diego, Uber’s share of the relevant market is at least 65%.

127. In San Jose, Uber’s share of the relevant market is at least 65%.

128. In Boston, Uber’s share of the relevant market is at least 70%.

129. In Austin, Uber’s share of the relevant market is at least 70%.

130. Uber has willfully acquired and maintained monopoly power in the relevant markets for Ride-Hailing Apps in San Francisco, Austin, Los Angeles, Chicago, Philadelphia, Washington DC, New York, Seattle, San Diego, San Jose, and Boston through predatory pricing and other exclusionary, and anticompetitive conduct, as alleged herein.

131. ***Predatory Pricing.*** Uber has excluded competition from the relevant market through a predatory pricing scheme.

132. Between 2013 and 2016, on average, the prices for transactions conducted through Uber’s Ride-Hailing App were below the average variable costs for those transactions.

133. On average, Uber lost money on each transaction completed through its app.

134. Sidecar was forced out of business by Uber’s predatory pricing strategy.

135. After Sidecar exited the market, Uber imposed price increases on Passengers and reduced the amount that it paid to Drivers.

136. Through these price increases, Uber is likely to recoup the losses it sustained as a result of its predatory pricing strategy.

137. ***Exclusionary Acts.*** Uber has reinforced its dominant market position through tortious conduct designed to undermine the functionality of Sidecar’s Ride-Hailing App.

138. Uber’s tortious conduct included a systematic, pervasive, and sustained effort to submit fraudulent ride requests on Sidecar’s Ride-Hailing App.

1 139. These fraudulent ride requests were not a means of legitimate competition, but rather,
2 were intended to and did undermine Sidecar's ability to effectively compete with Uber on the merits.
3 As a result of the fraudulent ride requests, Sidecar's Ride-Hailing App became less attractive to
4 Drivers and Passengers, and they moved off of Sidecar's platform.

5 140. Uber's deceit enabled it to achieve and maintain monopoly power by undermining the
6 functionality and value provided by Sidecar's App and steering Drivers and Passengers away from
7 Sidecar's App and to Uber's App.

8 141. Uber's conduct alleged above has had an anticompetitive effect in the relevant markets
9 for Ride-Hailing Apps in San Francisco, Austin, Los Angeles, Chicago, Philadelphia, Washington
10 DC, New York, Seattle, San Diego, San Jose, and Boston.

11 142. Uber's conduct as alleged above has no legitimate business purpose or procompetitive
12 effect.

13 143. Uber's conduct as alleged above has had a substantial effect on interstate commerce.

14 144. Sidecar was injured in its business or property as a result of Uber's conduct when it
15 went out of business in December 2015.

16 145. Sidecar has suffered and will suffer injury of the type that the antitrust laws were
17 intended to prevent. Sidecar has been injured by the harm to competition as a result of Uber's
18 conduct.

19 **COUNT 2: ATTEMPTED MONOPOLIZATION (15 U.S.C. § 2)**

20 146. Sidecar incorporates by reference the foregoing paragraphs of this Complaint as if fully
21 set forth herein.

22 147. Uber has engaged in predatory pricing and other exclusionary and anticompetitive
23 conduct, as alleged herein in the relevant markets for Ride-Hailing Apps in San Francisco, Austin, Los
24 Angeles, Chicago, Philadelphia, Washington DC, New York, Seattle, San Diego, San Jose, and
25 Boston.

26 148. Uber has engaged in that unlawful conduct with the specific intent of monopolizing the
27 relevant markets.
28

1 159. Uber facilitated trips through its Ride-Hailing App by charging consumers less than the
2 price of facilitating the transaction.

3 160. The purpose and effect of Uber's pricing scheme was and is to injure competitors,
4 including Sidecar, to gain greater market share and eventually raise prices.

5 161. No exemption from the California Unfair Practices Act applies.

6 **DEMAND FOR JURY TRIAL**

7 162. Sidecar hereby demands a jury trial on all its claims.

8 **PRAYER FOR RELIEF**

9 163. Sidecar respectfully prays for the following relief:

- 10 a. a judgment finding that Uber violated the Sherman Act and California Unfair
11 Practices Act;
- 12 b. a judgment and order requiring Uber to pay Sidecar damages in an amount
13 adequate to compensate Sidecar for Uber's violations of the Sherman Act and
14 California Unfair Practices Act;
- 15 c. treble damages, costs, and attorneys' fees, pursuant to 15 U.S.C. § 15;
- 16 d. treble damages, costs, and attorneys' fees, pursuant to CAL. BUS. & PROF.
17 CODE § 17082;
- 18 e. a judgment and order requiring Uber to pay pre-judgment interest and post-
19 judgment interest to the full extent allowed under the law; and
- 20 f. any further relief the Court may deem just and proper.
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1 DATED: December 11, 2018

Respectfully submitted,

2 QUINN EMANUEL URQUHART &
3 SULLIVAN, LLP

4
5 By /s/ Ethan Glass

Ethan Glass (Bar No. 216159)

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7 Washington, DC 20005

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8 Attorneys for Plaintiff SC Innovations, Inc.
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CIVIL COVER SHEET

The JS-CAND 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved in its original form by the Judicial Conference of the United States in September 1974, is required for the Clerk of Court to initiate the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

I. (a) PLAINTIFFS

SC Innovations, Inc.

(b) County of Residence of First Listed Plaintiff San Francisco
(EXCEPT IN U.S. PLAINTIFF CASES)

(c) Attorneys *(Firm Name, Address, and Telephone Number)*

(see attachment)

DEFENDANTS
Uber Technologies, Inc., Rasier, LLC, Rasier-CA, LLC, Rasier- PA, LLC, Rasier-DC, LLC, Rasier-NY, LLC, Uber USA, LLC

County of Residence of First Listed Defendant
(IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.

Attorneys *(If Known)*

II. BASIS OF JURISDICTION *(Place an "X" in One Box Only)*

☐ 1 U.S. Government Plaintiff ☒ 3 Federal Question *(U.S. Government Not a Party)*

☐ 2 U.S. Government Defendant ☐ 4 Diversity *(Indicate Citizenship of Parties in Item III)*

III. CITIZENSHIP OF PRINCIPAL PARTIES *(Place an "X" in One Box for Plaintiff and One Box for Defendant)*

	PTF	DEF		PTF	DEF
Citizen of This State	<input type="checkbox"/> 1	<input type="checkbox"/> 1	Incorporated or Principal Place of Business In This State	<input type="checkbox"/> 4	<input type="checkbox"/> 4
Citizen of Another State	<input type="checkbox"/> 2	<input type="checkbox"/> 2	Incorporated and Principal Place of Business In Another State	<input type="checkbox"/> 5	<input type="checkbox"/> 5
Citizen or Subject of a Foreign Country	<input type="checkbox"/> 3	<input type="checkbox"/> 3	Foreign Nation	<input type="checkbox"/> 6	<input type="checkbox"/> 6

IV. NATURE OF SUIT *(Place an "X" in One Box Only)*

CONTRACT	TORTS	FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES	
<input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment Of Veteran's Benefits <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excludes Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability <input type="checkbox"/> 196 Franchise	PERSONAL INJURY <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Federal Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury <input type="checkbox"/> 362 Personal Injury -Medical Malpractice CIVIL RIGHTS <input type="checkbox"/> 440 Other Civil Rights <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/ Accommodations <input type="checkbox"/> 445 Amer. w/Disabilities-- Employment <input type="checkbox"/> 446 Amer. w/Disabilities--Other <input type="checkbox"/> 448 Education	PERSONAL INJURY <input type="checkbox"/> 365 Personal Injury -- Product Liability <input type="checkbox"/> 367 Health Care/ Pharmaceutical Personal Injury Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability PERSONAL PROPERTY <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability PRISONER PETITIONS HABEAS CORPUS <input type="checkbox"/> 463 Alien Detainee <input type="checkbox"/> 510 Motions to Vacate Sentence <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty OTHER <input type="checkbox"/> 540 Mandamus & Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition <input type="checkbox"/> 560 Civil Detainee-- Conditions of Confinement	<input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC § 881 <input type="checkbox"/> 690 Other LABOR <input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor/Management Relations <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 751 Family and Medical Leave Act <input type="checkbox"/> 790 Other Labor Litigation <input type="checkbox"/> 791 Employee Retirement Income Security Act IMMIGRATION <input type="checkbox"/> 462 Naturalization Application <input type="checkbox"/> 465 Other Immigration Actions	<input type="checkbox"/> 422 Appeal 28 USC § 158 <input type="checkbox"/> 423 Withdrawal 28 USC § 157 PROPERTY RIGHTS <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 835 Patent--Abbreviated New Drug Application <input type="checkbox"/> 840 Trademark SOCIAL SECURITY <input type="checkbox"/> 861 HIA (1395ff) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g)) FEDERAL TAX SUITS <input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS--Third Party 26 USC § 7609	<input type="checkbox"/> 375 False Claims Act <input type="checkbox"/> 376 Qui Tam (31 USC § 3729(a)) <input type="checkbox"/> 400 State Reapportionment <input checked="" type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced & Corrupt Organizations <input type="checkbox"/> 480 Consumer Credit <input type="checkbox"/> 490 Cable/Sat TV <input type="checkbox"/> 850 Securities/Commodities/ Exchange <input type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 895 Freedom of Information Act <input type="checkbox"/> 896 Arbitration <input type="checkbox"/> 899 Administrative Procedure Act/Review or Appeal of Agency Decision <input type="checkbox"/> 950 Constitutionality of State Statutes

V. ORIGIN *(Place an "X" in One Box Only)*
☒ 1 Original Proceeding ☐ 2 Removed from State Court ☐ 3 Remanded from Appellate Court ☐ 4 Reinstated or Reopened ☐ 5 Transferred from Another District *(specify)* ☐ 6 Multidistrict Litigation--Transfer ☐ 8 Multidistrict Litigation--Direct File

VI. CAUSE OF ACTION
Cite the U.S. Civil Statute under which you are filing *(Do not cite jurisdictional statutes unless diversity):*
15 U.S.C. § 2
Brief description of cause:
Suit seeking damages for monopolization and attempted monopolization in violation of the Sherman Act and for violation of the California Unfair Practices Act.

VII. REQUESTED IN COMPLAINT: CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, Fed. R. Civ. P. DEMAND \$ CHECK YES only if demanded in complaint:
JURY DEMAND: ☒ Yes ☐ No

VIII. RELATED CASE(S), IF ANY *(See instructions):* JUDGE DOCKET NUMBER

IX. DIVISIONAL ASSIGNMENT (Civil Local Rule 3-2)
(Place an "X" in One Box Only) ☒ SAN FRANCISCO/OAKLAND ☐ SAN JOSE ☐ EUREKA-MCKINLEYVILLE

DATE 12/11/2018 SIGNATURE OF ATTORNEY OF RECORD /s/ Ethan Glass

I. (c) Attorneys for Plaintiff SC Innovations, Inc.

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INSTRUCTIONS FOR ATTORNEYS COMPLETING CIVIL COVER SHEET FORM JS-CAND 44

Authority For Civil Cover Sheet. The JS-CAND 44 civil cover sheet and the information contained herein neither replaces nor supplements the filings and service of pleading or other papers as required by law, except as provided by local rules of court. This form, approved in its original form by the Judicial Conference of the United States in September 1974, is required for the Clerk of Court to initiate the civil docket sheet. Consequently, a civil cover sheet is submitted to the Clerk of Court for each civil complaint filed. The attorney filing a case should complete the form as follows:

- I. a) Plaintiffs-Defendants.** Enter names (last, first, middle initial) of plaintiff and defendant. If the plaintiff or defendant is a government agency, use only the full name or standard abbreviations. If the plaintiff or defendant is an official within a government agency, identify first the agency and then the official, giving both name and title.
 - b) County of Residence.** For each civil case filed, except U.S. plaintiff cases, enter the name of the county where the first listed plaintiff resides at the time of filing. In U.S. plaintiff cases, enter the name of the county in which the first listed defendant resides at the time of filing. (NOTE: In land condemnation cases, the county of residence of the “defendant” is the location of the tract of land involved.)
 - c) Attorneys.** Enter the firm name, address, telephone number, and attorney of record. If there are several attorneys, list them on an attachment, noting in this section “(see attachment).”
- II. Jurisdiction.** The basis of jurisdiction is set forth under Federal Rule of Civil Procedure 8(a), which requires that jurisdictions be shown in pleadings. Place an “X” in one of the boxes. If there is more than one basis of jurisdiction, precedence is given in the order shown below.
- (1) United States plaintiff. Jurisdiction based on 28 USC §§ 1345 and 1348. Suits by agencies and officers of the United States are included here.
 - (2) United States defendant. When the plaintiff is suing the United States, its officers or agencies, place an “X” in this box.
 - (3) Federal question. This refers to suits under 28 USC § 1331, where jurisdiction arises under the Constitution of the United States, an amendment to the Constitution, an act of Congress or a treaty of the United States. In cases where the U.S. is a party, the U.S. plaintiff or defendant code takes precedence, and box 1 or 2 should be marked.
 - (4) Diversity of citizenship. This refers to suits under 28 USC § 1332, where parties are citizens of different states. When Box 4 is checked, the citizenship of the different parties must be checked. (See Section III below; **NOTE: federal question actions take precedence over diversity cases.**)
- III. Residence (citizenship) of Principal Parties.** This section of the JS-CAND 44 is to be completed if diversity of citizenship was indicated above. Mark this section for each principal party.
- IV. Nature of Suit.** Place an “X” in the appropriate box. If the nature of suit cannot be determined, be sure the cause of action, in Section VI below, is sufficient to enable the deputy clerk or the statistical clerk(s) in the Administrative Office to determine the nature of suit. If the cause fits more than one nature of suit, select the most definitive.
- V. Origin.** Place an “X” in one of the six boxes.
- (1) Original Proceedings. Cases originating in the United States district courts.
 - (2) Removed from State Court. Proceedings initiated in state courts may be removed to the district courts under Title 28 USC § 1441. When the petition for removal is granted, check this box.
 - (3) Remanded from Appellate Court. Check this box for cases remanded to the district court for further action. Use the date of remand as the filing date.
 - (4) Reinstated or Reopened. Check this box for cases reinstated or reopened in the district court. Use the reopening date as the filing date.
 - (5) Transferred from Another District. For cases transferred under Title 28 USC § 1404(a). Do not use this for within district transfers or multidistrict litigation transfers.
 - (6) Multidistrict Litigation Transfer. Check this box when a multidistrict case is transferred into the district under authority of Title 28 USC § 1407. When this box is checked, do not check (5) above.
 - (8) Multidistrict Litigation Direct File. Check this box when a multidistrict litigation case is filed in the same district as the Master MDL docket. Please note that there is no Origin Code 7. Origin Code 7 was used for historical records and is no longer relevant due to changes in statute.
- VI. Cause of Action.** Report the civil statute directly related to the cause of action and give a brief description of the cause. **Do not cite jurisdictional statutes unless diversity.** Example: U.S. Civil Statute: 47 USC § 553. Brief Description: Unauthorized reception of cable service.
- VII. Requested in Complaint.** Class Action. Place an “X” in this box if you are filing a class action under Federal Rule of Civil Procedure 23. Demand. In this space enter the actual dollar amount being demanded or indicate other demand, such as a preliminary injunction. Jury Demand. Check the appropriate box to indicate whether or not a jury is being demanded.
- VIII. Related Cases.** This section of the JS-CAND 44 is used to identify related pending cases, if any. If there are related pending cases, insert the docket numbers and the corresponding judge names for such cases.
- IX. Divisional Assignment.** If the Nature of Suit is under Property Rights or Prisoner Petitions or the matter is a Securities Class Action, leave this section blank. For all other cases, identify the divisional venue according to Civil Local Rule 3-2: “the county in which a substantial part of the events or omissions which give rise to the claim occurred or in which a substantial part of the property that is the subject of the action is situated.”
- Date and Attorney Signature.** Date and sign the civil cover sheet.